

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

NEWS RELEASE

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Commissioners Clark, Wefald and Cramer

For Immediate Release*

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Grain Storage Levels are at All-Time Highs

A bountiful North Dakota harvest has resulted in a record amount of grain storage licensed this year, with increased capacity coming from new construction as well as ground storage.

As of Nov. 1, there were approximately 330 million bushels of storage licensed by the state or federal government, an increase of more than 16 percent over the previous record of 284 million bushels set in 2005. All types of grain storage, including temporary storage, has to be licensed by the state or federal government, bonded and insured.

The record for temporary storage, which includes bunker storage and ground storage, was smashed this year. As of Nov. 1, there were 38.6 million bushels of temporary storage licensed in the state, an increase of more than 35 percent over the previous record of 28.5 million bushels in 2005. The 38.6 million bushels of ground and bunker storage includes both state and federally licensed facilities.

“This is truly a bin-busting harvest when you consider the sheer amount of grain storage that has been licensed,” said Commissioner Tony Clark, who holds the portfolio for grain elevators. “Not only did ground storage increase dramatically, we saw new construction of bunker storage of nearly 2.5 million bushels.”

Bunker storage usually consists of a solid foundation and walls, a tarp covering the top and some type of aeration. The cost to construct bunker storage is much less than permanent storage and it enables grain to be protected from the elements.

“It is encouraging to see more bunker storage being constructed because it allows grain to be stored longer than if it were piled on the ground,” said Commissioner Kevin Cramer. “Storing grain longer can give farmers and elevators more time to get their products to the market.”

The commission licenses 299 state grain warehouses. Another 95 warehouses are licensed by the federal government. The total capacity of the state-licensed warehouses is approximately 236.4 million bushels and the total capacity of the federally-licensed warehouses is approximately 93.6 million bushels. Before grain warehouses expand their storage capacity, they must receive approval from their licensing jurisdiction. Although the state does not license the storage capacity of federal facilities, the state does license the grain purchased by the federal facilities.

Storage capacity at grain warehouses has steadily increased over the past several years. Increases in capacity can be seen all over the state, but they have been more predominant in the central and eastern regions this year.

Requiring grain warehouses to be licensed, bonded and insured provides protection to farmers in case a facility becomes insolvent or suffers a disaster.

“We want to ensure that grain warehouses are following the laws that are designed to protect farmers,” said Commissioner Susan Wefald.

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